Activities/Milestones Last Quarter

Staffing Planning

One of VITA's most significant transition challenges is establishing a cohesive, service-oriented organizational structure that also accommodates the 887 IT staff/contractor positions mapped to come to VITA from the "in-scope" agencies. To accomplish these dual objectives while also remaining within the total position count requires careful management of vacant positions, whether they occur as mapped positions transferred to VITA or via attrition within the agency.

> ### Section Highlights
> - *All five employee positions mapped to VITA from small agencies have been successfully transitioned.*
> - *The Acquisition Services Directorate changed its name to Supply Chain Management and was reorganized to be better aligned with Procurement Reform initiatives.*
> - *All staff members initially assigned to the Resource Development & Projects office have been reassigned and redeployed within VITA.*
> - *The VITA Staffing Plan was developed and approved for fiscal year 2004.*

Under a planning approach approved by the CIO, the VITA Leadership Team jointly administers this process. Existing and projected vacancies are tracked by VITA Human Services on behalf of all directorates. A list of needed positions across the agency, also maintained by Human Services, is reviewed monthly by the Leadership Team to determine priorities to which vacancies will be allocated.

Recruitment and Employment Levels

A total of 21 positions are currently in some phase of recruitment. While these positions are spread across several directorates, Customer Support Services (CSS) has been consistently viewed by the Leadership Team as a focal point during the early stages of the 18 month transition period. Six of the positions currently being recruited are for CSS, including four Enterprise Service Directors, who will be assigned to support specific Cabinet Secretariats. Establishing a strong customer-facing organization is key to effectively managing the dispersed IT personnel and infrastructure that is in the process of moving to VITA.

At this point in the transition, VITA's authorized MEL (Maximum Employment Level, or position count) for classified state employees is 371. The current classified staffing level (filled positions) is 347. In addition, there are 44 contractors and 33 wage employees, for a total of 424 employees in all categories.

Exhibit 3-1 on the following page illustrates VITA current classified staffing and recruitment activities during the quarter.

Exhibit 3-1
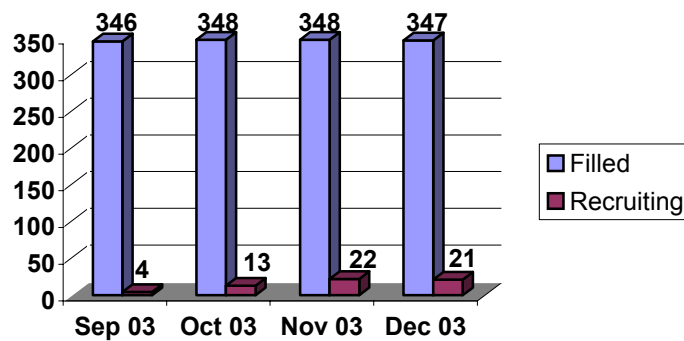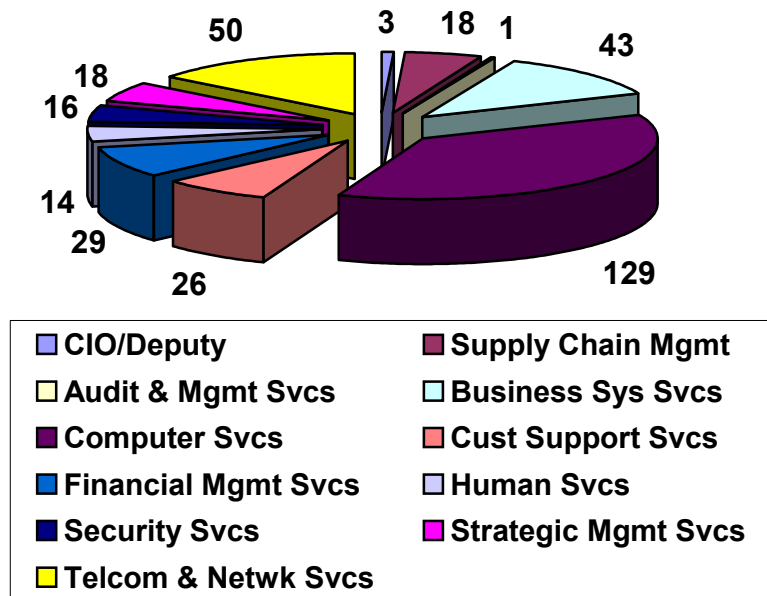**Position Levels and Recruitment**

Exhibit 3-2 illustrates the classified staffing by each directorate for the quarter. The organization charts in Appendix 3-1 reflect VITA's current structure as of November 2003.

Exhibit 3-2
Classified Employment Levels by Directorate

☐ CIO/Deputy	☐ Supply Chain Mgmt
☐ Audit & Mgmt Svcs	☐ Business Sys Svcs
☐ Computer Svcs	☐ Cust Support Svcs
☐ Financial Mgmt Svcs	☐ Human Svcs
☐ Security Svcs	☐ Strategic Mgmt Svcs
☐ Telcom & Netwk Svcs	

VITA Headquarters

In October, VITA headquarters at 411 East Franklin Street moved from temporary offices to its permanent location in Suite 500. VITA now has workers (classified, part-time, and contractors) in five different locations, with 23 at headquarters, 392 at the VITA Operations

Center in the Richmond Plaza Building, six at various locations on the Capitol Campus, and three in Roanoke.

Employee "Onboarding" Activities

In addition to transferring services and IT equipment to VITA, agencies and VITA are working together to confirm and transition the classified employees, wage workers, and contractors who were mapped to VITA from customer agencies last spring. Because most small agencies do not have dedicated IT staffs for ongoing support and service, most small agencies did not have employees to transfer—nine employees were originally mapped for transition.

VITA worked with agency leadership to confirm the status of positions mapped to VITA. As a result, three of the positions were vacant, reducing the number from nine employee transfers to six. VITA also worked with agency leadership to confirm employees were mapped to VITA properly. As a result, one employee originally mapped to VITA was determined to be out-of-scope and remains in service to the customer agency.

The first employee transfers to VITA were effective on October 25, 2003. On that date, two employees from the State Council of Higher Education for Virginia became VITA employees, known as "VITAzens." Two of the remaining three employee transfers—from the Department of Planning and Budget and the Department of Aviation—were effective on December 25, 2003. Due to holiday schedules, the transfer of the final position from the Department of Rail and Public Transportation as well as the orientation portion of the onboarding will be completed after the first of the year.

The process of onboarding new employees begins after the establishment of a tentative transition date by the small agency transition team. Based on these dates, VITA human resources staff contacts the HR staff at the transitioning agency to discuss and coordinate employee transition, including items such as leave balance transfers and paycheck distribution. Other items discussed include the completion of performance evaluations (interim or annual evaluations), reimbursable training requests already approved and other onboarding paperwork required for the transition. VITA has worked with the Department of Accounts payroll service bureau to reduce the amount of paperwork that each employee must complete.

After the transitioning agency has signed the appropriate transition documents, a date is confirmed for the official transfer of employees to VITA. In order to complete the required onboarding paperwork and welcome the new employees to the agency, VITA human resources staff travels to the employee worksites and meets with transitioning employees.

Each employee receives information on VITA policies and procedures, including payroll forms, leave slips and instructions, overtime and on-call policies, security policies, and the Employee Benefits Association. Employees also receive an employee welcome kit, a VITA security badge, and a VITA lapel pin and t-shirt.

Organizational Changes

Leadership Team

In accordance with requirements in the VITA legislation, the Information Technology Investment Board continues its recruitment of a new Chief Information Officer. At its December 10, 2003 meeting, the Board approved the appointment of Cheryl F. Clark, VITA Deputy CIO, as Acting CIO until such time as a CIO is appointed by the Board, in the event that the Board is unable to conclude hiring negotiations prior to January 1, 2004. (see Section 7).

While several promising candidates were interviewed, the last cycle of recruitment for the vacant Security Services Director did not result in a hiring decision. The position will be re-advertised nationally, and Human Services is optimistic that an appropriate pool of qualified individuals will be available.

Velma Ballard, VITA's Director of Human Services, has decided to return to her former position with the Department of Housing and Community Development, effective mid-December. This position will also be posted, and will be open to both state employees and the general public.

Acquisition Services Becomes Supply Chain Management

With the creation of VITA on July 1 the Acquisition Services Directorate (ASD) began implementation of Procurement Reform ("ProReform"). During the past quarter, ASD redesigned itself into an organization based on the concept of procurement teams (e.g., Networks & Telecommunications; Applications, Middleware & Tools; Distributed Computing; Central Computing). The Directorate's name was changed to Supply Chain Management (SCM) to better reflect the new organizational structure and the principles of ProReform. The revised organizational units within SCM are:

- **Strategic Analysis**—an analytical group that identifies opportunities and provides data and methodologies to identify value, risks and priorities;
- **Integrated Sourcing**—a process-oriented group, organized around categories of expertise; leaders of cross-functional sourcing teams, managing major suppliers within categories, including sourcing process, decision analysis, and contract formation;
- **Contract Management**—an efficiency-oriented service group, providing optimal value from contracts via tracking, reporting, analysis and record-keeping for all IT contract obligations;
- **Supply Chain Operations**—an effectiveness-oriented service group that provides transactional services and systems support, maximizing the efficiency of these services; and
- **New Initiatives**—supports new approaches, new procedures design, and acquisition of associated tools and training.

Resource Development and Projects (RDP)

This unit within VITA has been set up to facilitate the appropriate placement of personnel who, during the transition period, have no immediate organizational assignment. Individuals who come into this unit will be given opportunities for temporary assignment in

special projects associated with IT transformation, as well as for training and re-skilling to enhance their value and placement options.

At the initiation of VITA on July 1, six individuals were assigned to the RDP. All of these staff members have now been assigned to established positions within the VITA organization. As medium and large agencies transfer into VITA over 2004, further cycles of ebb and flow into and out of RDP will likely occur.

Training and HR Development Activities

Although VITA's Professional Development Division is relatively small in staff, consisting of one part-time staff and one support position, creative partnerships enable VITA to have an aggressive schedule of professional training and development. A Training Manager position was approved and posted during the quarter and is expected to be on board on during the next quarter.

Exhibit 3-3 outlines the extensive professional training and development activities now underway.

<div align="center">

Exhibit 3-3
VITA Professional Development Division (PDD)
Training and Development Projects

</div>

Project Manager Development Program: In support of the Project Management (PM) standard, PDD has worked with VITA's Project Management Division to develop an online knowledge test, certify training partners, negotiate contracts with J. Sargeant Reynolds for testing and training, and coordinate delivery of mandatory PM training. Over $33,000 has been spent to support this effort, resulting in six classes attended by 193 internal and external employees. Additional classes are scheduled in December and January.

ITIL Essentials Service Management Training: To support best practices and standardization of terminology, PDD procured an on-site ITIL (Information Technology Infrastructure Library) certification course. Out of 16 attendees, 14 were ITIL certified.

Mandatory Security Awareness Training: With the departure of the third party contractor that initially provided this training, PDD continues to work with the developer of the online course software to upgrade the course for release, pending inclusion of current security policies.

Learning Management System (LMS): PDD is currently serving on the evaluation team for this statewide procurement. VITA is a Tier One agency with significant input at all levels of this initiative.

Skills Assessment Tool: In conjunction with a VDOT training professional and VITA Business Systems Services, PDD has designed a Web based survey for in-scope employees to complete. This survey will yield proficiency levels to accommodate best fit to VITA and related training needs.

VITA Leadership Retreat

VITA hosted the first of a series of VITA Leadership meetings on December 15, 2003, which included nearly 70 leaders and managers from all directorates. The purpose of the retreat was to engage VITA leadership in creating a common vision for VITA, determining roles in implementing that vision, learning from the past to help move the agency forward, and finding ways to support one another in this time of significant change and organizational flux.

The agenda for the retreat included a historical assessment exercise, where participants described the history of VITA and its predecessor organizations since 1970. The participants then analyzed patterns to determine how the past influences the present and future, in terms of ongoing issues and consistent, positive momentum that has been maintained. Participants also worked on articulating VITA's vision, and identified seven elements. These elements are:

- Recognized service delivery leader;
- Model for government IT;
- Full service IT provider of choice;
- The best managed business in state government;
- Achieving cost savings while delivering value;
- Premier employer; and
- Adaptive, proactive organization.

As a result of the retreat, VITA has a more cohesive leadership team, a common vision for the agency, strategies for ongoing communication and support among the leadership team and staff, and plans for future leadership development. A half-day leadership retreat is being planned for January 2004 to create VITA's mission and develop the agency's mission statement.

Activities/Milestones Next Quarter & Beyond

Employee "Onboarding" Activities

The VITA Organization continues to grow and evolve throughout the transition effort, and will eventually include approximately 887 employees transitioning to VITA from small, medium, and large agencies. As can be seen in Exhibit 3-4 below, the vast majority of employees comes in the final phase, scheduled for July 1, 2004 to January 1, 2005.

Exhibit 3-4
Employee Transitions to VITA by Phase (Agency Size)

Agency Size	Personnel Scheduled to Transition	Number of Supported Locations
Small (100 employees or less)	5	82
Medium (101-400 employees)	61	149
Large (>400 employees)	820	1,266

The chart above also illustrates the dispersal of employees and IT assets throughout the Commonwealth. VITA will ultimately be a highly distributed organization, with the majority of VITA employees located on-site at customer agencies. Coupled with significant organizational changes at VITA and in customer agencies, this presents unique challenges to the successful and smooth transition of employees to VITA.

To ensure the transition to VITA for employees is as smooth and painless as possible, VITA is developing an extensive "Onboarding" process for the medium and large agency transition phases, which combines the elements of HR administration with a comprehensive orientation. The goals of onboarding are to:

- Help future VITAzens feel valued and welcomed;
- Increase knowledge and understanding of VITA and its vision, mission, values, functions, and culture;
- Set expectations and help employees understand their roles;
- Fulfill all administrative and human resource requirements in terms of paperwork, policies, and forms;
- Communicate opportunities for training, career advancement, and participation in VITA activities; and
- Provide points of contact within the VITA organization for taking care of VITA business and getting assistance.

More detailed information on the onboarding process will be provided in future Quarterly Reports.

It is anticipated that several key positions will be filled during the next quarter. The hiring of the Chief Information Officer, Security Director, and replacement of the Human Services Director will complete the leadership team.

Also in the next quarter, the Human Services Directorate will complete the onboarding process for small agencies and begin the process of onboarding medium agencies. With the approval of the IT Investment Board, the Virginia Department of Transportation may onboard early during the next quarter. While the total of IT staff to be transitioned from all medium agencies is 61, VDOT alone will add 219 employees to VITA. The agency will then have staff at an additional 13 locations throughout the state, including 11 VDOT sites. Exhibit 3-5 illustrates the projected MEL for the next quarter, assuming an early VDOT transition.

On-site meetings are being planned in each VDOT district. During these meetings, VITA HS staff will process the necessary onboarding paperwork for payroll, explain VITA policies and procedures and provide employees with necessary tools needed to communicate with supervisors and staff at other locations. Employee badge pictures are currently being made and other issues related to parking and training opportunities and benefits are being resolved. Several logistical adjustments have been made to internal procedures and processes to ensure a smooth transition of VDOT employees.

Exhibit 3-5
Projected Employment Level
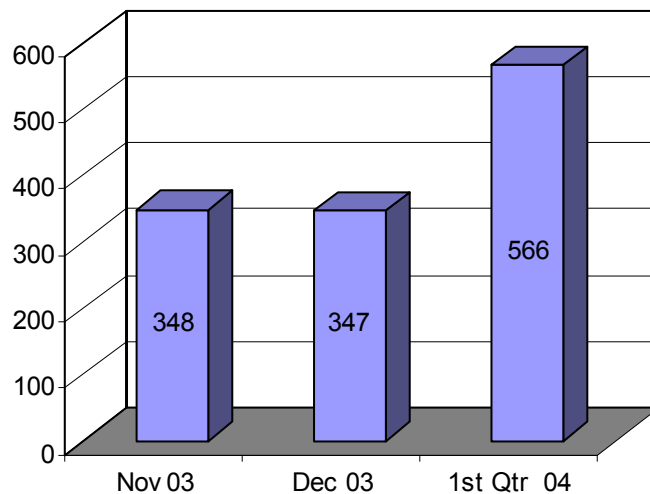
It is expected that, during the next quarter, applications will be developed to support and change internal administrative processes to ensure that staff in remote areas have online access to forms, policies, procedures, benefits, etc.

It anticipated that substantial work will be done to complete the overall VITA training strategy. The skills inventory assessment will be conducted and analyzed. Additional classes will be conducted for the Project Management Development Program during the next quarter. In addition, change management classes, leadership development, stress management and a second leadership retreat are being planned for next quarter.